

DEPARTMENT OF TRANSPORTATION**DIVISION OF MASS TRANSPORTATION**

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*Flex your power!
Be energy efficient!*

October 23, 2003

TO: Transit Agencies

Attn: General Managers, Executive Directors, or Designees

Subject: Lapsing State Funds for Transit Projects

The unspent portion of the state funds shown in the attached form will lapse on June 30, 2004 and may be lost unless you either bill for the funds by **May 1, 2004**, to ensure invoice is paid prior to the year-end cutoff date; or, if you will not be able to invoice by May 1, 2004, you request an extension of the liquidation period by **December 1, 2003**.

Previously, liquidation periods were extended via the annual legislative budget process. However, pursuant to Government Code section 16304.3, the extension of liquidation periods now requires Department of Finance (DOF) approval on a project-by-project basis.

If approved, the extension will be granted in the form of a Cooperative Work Agreement (CWA), which is a project-specific, binding contract between the State and your agency for work that cannot be completed and billed by May 1, 2004.

The attached CWA form must be submitted to the District by December 1, 2003. **No late submittals will be accepted.** Please coordinate with your transit contact person in the District to ensure that the CWA is submitted on time. Instructions and the electronic form are available at <http://www.dot.ca.gov/hq/MassTrans/> under Transit Agencies with Lapsing Funds.

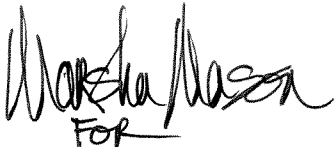
The form must provide a detailed justification for the extension and be signed by the General Manager, Executive Director, or Designee to indicate concurrence with the extension request.

The DOF will review the justification and determine whether an extension should be approved. The DOF has indicated that a CWA will only be approved for valid or substantial reasons and that there is no appeal process. In June 2004, the DOF will advise the California Department of Transportation whether the extension requests are approved or denied.

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If you have questions concerning this notice, please contact Juan Guzman, State Transit Grants, at (916) 657-3875 or Juan_Guzman@dot.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Norvell".

~~For~~
JAY NORVELL
Acting Chief
Division of Mass Transportation

Attachment

- c: District Transit Representatives
- Deputy District Directors for Planning
- Regional Transportation Planning Agencies